

Personal Financial Management - Lesson 10

Official Government Travel

ENABLING OBJECTIVES:

Upon completion of this lesson, students will be able to:

- 10.1 Explain how a Government travel card account works
- 10.2 Explain their responsibility in the proper use and management of the Government travel card
- 10.3 Describe the legal ramifications of using a Government travel card
- 10.4 Identify basic travel entitlements
- 10.5 Explain travel claims and allowances
- 10.6 Identify sources for help with Government charge card program or travel entitlements
- 10.7 Explain the purpose of the Government purchase card

REFERENCES:

1. OPNAVINST 1740.5A (Draft)
2. U.S. Navy's Personal Financial Management Standardized Curriculum (PERS 662)
3. OPNAVINST 1740.1 Fleet and Family Support Center Program
4. Command Financial Specialist Training Manual NAVPERS 15608C
5. www.lifelines2000.org
6. www.moneycentral.msn.com
7. www.accuquote.com
8. www.1stquote.com
9. www.1sttermquotes.com
10. Navy Legal Services Office
11. Fleet and Family support Center
12. Navy Casualty Affairs Office

SLIDES:

- 10-1 Lesson 10 Title Slide
- 10-2 Official Travel

- 10-3 Travel Orders
- 10-4 Travel Reservations
- 10-5 Travel Entitlements
- 10-6 Travel Reimbursement
- 10-7 Government Travel Cards
- 10-8 Benefits to Travelers
- 10-9 Travel Card Responsibilities
- 10-10 Overdue Accounts
- 10-11 Purchase Cards
- 10-12 Summary Questions
- 10-13 Summary
- 10-14 Effect of Compound Interest

CASE STUDIES:

None

VIDEO TAPES:

None

NOTES TO THE FACILITATOR:

The main points of this topic are:

- \$ How a Government Travel Card Works
- \$ Member Responsibilities for use of a Government Travel Card
- \$ Travel Entitlements
- \$ How to File Travel Claims
- \$ Sources of Help

I. INTRODUCTION

Your recruiter may have told you to "Join the Navy and see the world," so you can expect that the Navy will order you to travel at some, perhaps many, points during your hitch or career. In this lesson, we will discuss what is necessary to constitute official travel; your basic travel entitlements; how you pay for transportation, food, and lodging; and how you are reimbursed. We will put particular emphasis on use of the Government travel card that many of you will be issued.

II. OFFICIAL TRAVEL

When the Government orders you to travel, they pay for it. If you decide to perform additional travel for personal reasons in conjunction with a Government-ordered trip, you will NOT be reimbursed for such travel.

- A. You will be given written orders for any official travel. The orders will contain the destination(s) to which you are authorized to travel, report not later than and depart not earlier than times, and specific authorizations for things such as rental cars and taxi cabs. The orders will also contain an accounting classification code that tells the finance folks which "pot of money" will be used to pay for your trip. Don't lose your travel orders!

SHOW SLIDE 10-1 OFFICIAL GOVERNMENT TRAVEL

Note to facilitator

Ask the following question:

Why should I care about travel entitlements?

SHOW SLIDE 10-2 OFFICIAL TRAVEL

SHOW SLIDE 10-3 TRAVEL ORDERS

- B. When ordered on official travel, you should make required reservations through the local Navy Passenger Transportation Office (NAVPTO) or Commercial Ticket Office (CTO). The NAVPTO is a Navy organization, while the CTO is manned by contractor personnel. Either way, they are there to help you and to ensure the Government gets the best available rates for your travel, lodging and other expenses.

III. TRAVEL ENTITLEMENTS

Travel entitlements are designed to directly offset the cost of official travel. The usual categories of these entitlements are shown here.

- A. The Government will pay for your transportation to and from your temporary duty location. If you decide to take leave at another location in conjunction with official travel, the Government will not pay any associated additional travel costs.
- B. Your orders-issuing official will determine if you are entitled to reimbursement for travel at your temporary duty location. It is unlikely that you will be authorized a rental car if your travel is to a Navy base that is served by a nearby airport.

SHOW SLIDE 10-4 TRAVEL RESEVATIONS

SHOW SLIDE 10-5 TRAVEL ENTITLEMENTS

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C. If Government quarters are available at your temporary duty location, you will probably be required to use them, because of the obvious cost savings to the Government. However, even if you are authorized to stay off base, don't reserve the penthouse at the Sheraton. Every location, world-side, has a maximum lodging cost established in the Joint Travel Regulation (JTR), and, except in unusual circumstances, you will not be reimbursed for costs above those established in the JTR.

D. You will also be reimbursed for meals and incidental expenses, referred to as M&IE. Rates vary by location, but the "IE" part, for tips, etc., is a flat two dollars per day everywhere. You are paid three-fourths of a daily rate for the day you arrive and the day you complete travel back at home station.

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IV. TRAVEL REIMBURSEMENT

To get reimbursed for money you spent during official travel, you will have to file a travel voucher within five days after returning to your duty station. To file this voucher, you will need copies of your orders (I told you not to lose them!); the receipt portion of any airline, train, or bus tickets; and a receipt for your lodging. You must also turn in any unused portions of previously purchased tickets.

V. GOVERNMENT TRAVEL CARDS

"Hold on," you say. You don't have enough money to rent a car, stay in a motel for 3 or 4 nights and buy food. Probably not, and that brings us to the most important part of this lesson. Most of you will be issued a Government travel card. Right now, it will be a VISA card. It will work just like any other charge card, and if you misuse it, it will get you in more trouble than you care to think about -- personally and with the Navy.

SHOW SLIDE 10-6 TRAVEL REIMBURSEMENT**SHOW SLIDE 10-7 GOVERNMENT TRAVEL CARDS**

- A. Properly used, the travel card also provides you with several benefits.
1. For starters, you can use your card just like an ATM card and get the cash you will need for a trip without having to fill out Government forms and stand in line. On longer trips you can get cash from an ATM at your temporary duty location, negating the necessity to carry excessive sums of cash while traveling. Just make minimum use of cash withdrawals. Cash should be used during official travel to pay only for those expenses that cannot be charged. Withdrawals are limited to \$500 per billing cycle.
 2. The card provides you the flexibility to make necessary arrangements if your travel plans are disrupted by bad weather, mechanical problems, missed connections, illness, family emergency, or other unforeseen event.
 3. The card provides you substantial, no-cost insurance -- up to \$3000 for lost luggage and \$200,000 of travel accident insurance.

SHOW SLIDE 10-8 BENEFITS TO TRAVELERS**CLICK FOR BULLET****CLICK FOR BULLET**

4. Being a cardholder also provides you with a readily available source of information should you need medical or legal assistance in a strange place far removed from the nearest military facility. Not if, but when, an airline loses your luggage, card personnel will assist in getting it returned to you. If a ticket is lost or stolen, they'll get you a replacement and sort out the details later. You can also avail yourself of the same pre-trip services as civilian card-holders and check things like weather and ATM locations before you depart.

B. Carrying the travel card is a privilege, and like all privileges, it has accompanying responsibilities.

1. Your first responsibility with regard to the travel card is to use it only for official travel. **NO EXCEPTIONS!** The local fancy restaurant **MIGHT** take your card if you used it to take your date out for a night on the town, but this would not be an authorized use, and could subject you to disciplinary action. Do not use your card for personal reasons such as buying gifts for friends and family, even if you are on temporary duty.

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SHOW SLIDE 10-9 TRAVEL CARD RESPONSIBILITIES

2. It is also your responsibility to properly safeguard the card. You will likely be held accountable for any costs arising from a lost or stolen card.
3. By far, your biggest responsibility is to **PAY YOUR BILLS ON TIME**. The travel card is issued in your name, the bills are sent to you, and it is your responsibility to pay them by the due date. Ladies and gentlemen, this is a serious problem for the United States Navy. As of February 2001, there were over 10,000 delinquent travel card accounts with the Bank of America. Such delinquencies decrease the card company's profit. They will also have serious repercussions for you.
 - a. When your account becomes 60 days overdue, your access to cash from ATMs will automatically be cancelled. Two 60-day delinquencies are grounds for the bank to revoke your card.

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SHOW SLIDE 10-10 OVERDUE ACCOUNTS

DISCUSSION POINT	RELATED INSTRUCTOR ACTIVITY
<ul style="list-style-type: none"> b. Even one 90-day delinquency is grounds for revocation, unless an appropriate level supervisor justifies, in writing, why your privileges should not be terminated. 	<p>CLICK FOR BULLET</p>
<ul style="list-style-type: none"> c. If you fail to pay for 120 days the company WILL cancel your card, and it will take excessive justification for you to ever get another one. 	<p>CLICK FOR BULLET</p>
<ul style="list-style-type: none"> d. In addition to being an embarrassment to the Navy, decreasing your ability to perform official duties, and getting you in hot water with your chain of command, failure to pay your travel card bills on time will be recorded on YOUR credit report, making it more difficult, if not impossible, for you to get credit for things like homes and automobiles. 	<p>CLICK FOR BULLET</p>

VI. PURCHASE CARDS

It is possible that later in your career, you may be issued a purchase card in addition to a travel card. The purchase card allows the holder to make government-related purchases without having to first get a purchase order. With a purchase card, the bills are sent from the credit card company to the user's organization, which is responsible for payment. Obviously, there will be someone at your organization who checks these bills to ensure all purchases were for Government-related items. Naturally, you will be smart enough not to try to slip a pair of running shoes or a dozen golf balls into a purchase of Government materials. Misuse of the purchase card is a **CRIME**.

SHOW SLIDE 10-11 PURCHASE CARDS

VII. SUMMARY

During this lesson we discussed how official travel is authorized, what you are entitled to when ordered to perform official travel, and how you are reimbursed for legitimate travel expenses. We also described what the Government travel card is, how you should use it, your responsibilities in conjunction with use of the card, and what will happen if you don't meet these responsibilities. We concluded by discussing the purchase card and defining how this card differs from the travel card.

SHOW SLIDE 10-12 SUMMARY QUESTIONS

Summary Questions

1. Explain how a government charge card works?
2. Explain your responsibility in the proper use of a government charge card?
3. Identify basic travel entitlements?
4. Explain travel claims and allowances?
5. Identify sources for assistance with government travel cards?
6. Explain the proper use of a government purchase card?

SHOW SLIDE 10-13 SUMMARY

SHOW SLIDE 10-14 EFFECTS OF COMPOUND INTEREST